

Meeting Date: 10/14/08

AGENDA REPORT

City of Santa Clara, California

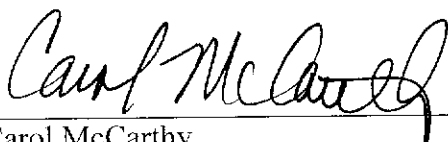
Agenda Item #

MC-2




Date: September 24, 2008
To: City Manager for Council Information
From: Deputy City Manager
Subject: The October, 2008 issue of "Western City" Magazine Features Operation Meltdown

The October, 2008 issue of "Western City" magazine includes a story about Operation Meltdown, about the "Jose-Clara Co-op" undercover police sting operated by the cities of Santa Clara and San Jose. The article's focus is to highlight the results that can come from inter-agency cooperation and proactive police work.

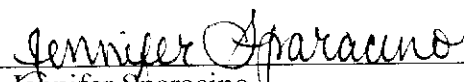


Carol McCarthy
Deputy City Manager



Steve Lodge
Chief of Police

APPROVED:



Jennifer Sparacino
City Manager

Documents Related to this Report:

1) "Operation Meltdown"

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**Lessons From the
Witch Creek Fire** p.15

**Involving Residents in Preparing
For Disasters** p.21

**Operation Meltdown Fights
Copper Theft** p.5

WESTERN



L E A G U E O F C A L I F O R N I A C I T I E S



Operation Meltdown

by Stephen D. Lodge and Robert Davis

Copper is gold on the black market. Stolen from construction sites and illegally removed from businesses and homes, copper brings in big bucks for thieves who typically sell the precious metal to recycling businesses that don't ask a lot of questions about its source.

Copper wire, pipe and tubing are used for telephone wire, air conditioner coils, downspouts, plumbing, car radiators and a host of other commercial and residential uses. There is increasing demand for the metal in the world market as developing countries grow and build but are forced to look elsewhere for the raw materials they need. The value of copper scrap metal is about \$3 a pound. It's estimated that the world produces 14.6 million tons of copper a year, but the global demand exceeds 15.2 million tons annually. According to the U.S. Department of Energy, copper theft is a major problem costing more than \$1 billion a year — or more, if you include the cost of repairing the damage done to buildings when thieves rip out copper.

The big demand for a product that's easy to get your hands on and turn into cash is irresistible for a thief.

In the neighboring cities of San Jose and Santa Clara, copper theft has been a growing problem that turned deadly when three individuals were killed, in three separate incidents, attempting to strip wire from vacant buildings where the electricity was still on. Our two Police Departments decided to work together to reduce copper theft by developing a deep undercover sting effort called Operation Meltdown.

continued

Stephen D. Lodge is chief of police for the City of Santa Clara and can be reached at <slodge@santaclaraca.gov>. Robert Davis is police chief for the City of San Jose and can be reached at <chief.sjpd@sanjoseca.gov>.

Setting Up the Sting

Working with the Santa Clara County District Attorney's Office, we established three goals for this complex, unprecedented operation:

1. Identify and arrest individuals actively stealing copper or selling stolen copper;
2. Investigate other crimes related to copper theft, including drugs and other stolen property; and
3. Provide prosecutable cases to the District Attorney's Office.

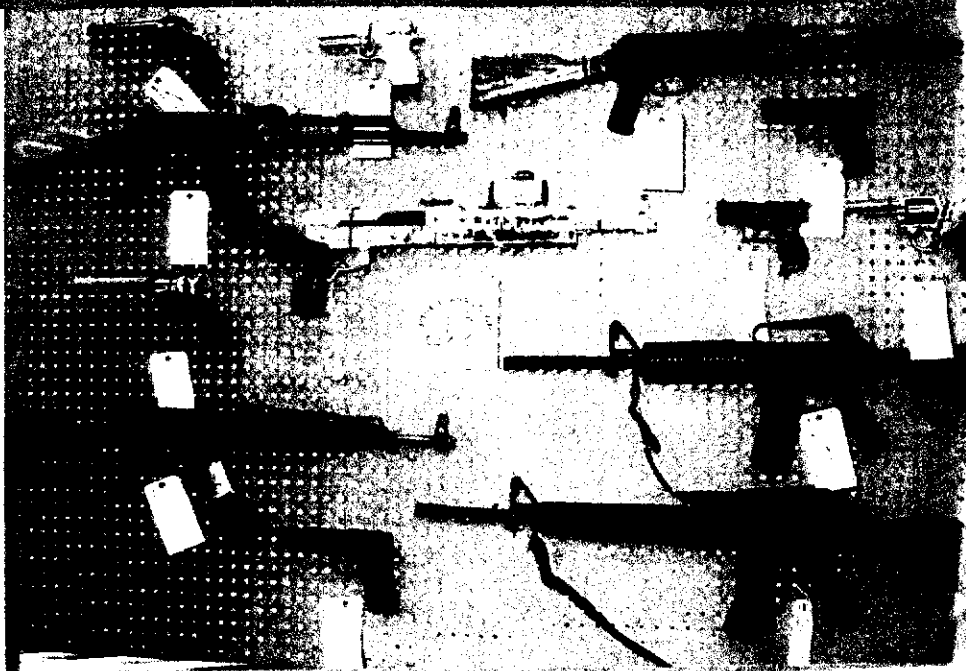
Undercover police officers from the Santa Clara and San Jose Police Departments opened a metal recycling business named Jose Clara Co-op in the industrial area of Santa Clara and put the word out that they were willing to pay cash for stolen metal. To protect the safety of the undercover team, only a handful of staff beyond the 14 officers directly involved were aware of Operation Meltdown.

Within days, Jose Clara Co-op had its first customer, who wanted to sell stolen copper as well as other stolen property. The undercover officers soon developed relationships with thieves who taught them how and where to strip copper. The officers were invited to join crews — organized groups of copper thieves — who targeted businesses and developed sophisticated plans to enter and steal copper.

Results Exceed Expectations

Over the next eight months, Jose Clara Co-op flourished as more thieves brought in stolen metal and a surprising amount of other illegal substances. Hidden security cameras recorded each undercover transaction, including:

- The purchase of 14 tons of copper stolen from commercial buildings, retail businesses, high-tech manufacturing sites, schools and public buildings;
- Thirty-five illegal drug transactions involving methamphetamine, marijuana, Ecstasy and Vicodin;
- Forty purchases of stolen vehicles ranging from a Porsche Carrera to motor-

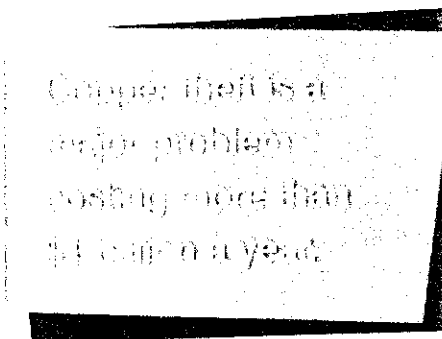


These weapons are just a few of the 74 stolen firearms recovered by Operation Meltdown. If the Jose Clara Co-op undercover agents had not purchased the weapons, they would have been sold to a local street gang.

cycles to BMWs. Suspects told officers that these vehicles had been headed for "chop shops" where they would have been dismantled and sold for parts; and

- Sixty-seven purchases of various other stolen goods, such as construction tools and jewelry.

Perhaps most significant, the operation netted 74 firearms ranging from revolvers to fully automatic weapons. The undercover officers were very successful in infiltrating a number of organized groups, some of which were affiliated with local street gangs. Several suspects were convicted felons, and several were known street gang affiliates who told undercover officers that if the Jose Clara Co-op had not purchased the weapons, they would have been sold to a local street gang. The weapon purchases included 11 AK-47s, four SKS assault rifles, two MAC 10s, two AR-15s, a Tech 9 and a Dragunov assault rifle. Additional weapons included several sawed-off shotguns and a number of firearms whose serial numbers had been removed. Seven improvised explosive devices (IEDs) were purchased,



several of which were designed to be detonated by cell phone transmission. According to the FBI, this type of IED had not previously been seen by law enforcement in the United States. Two additional IEDs were recovered from a suspect's house.

In total, 273 suspects were investigated and 67 suspects arrested during the course of the operation. An additional 143 arrest warrants were issued for a variety of crimes. The operation culminated when 150 officers from the Santa Clara and San Jose Police Departments served

arrest warrants in a day-long sweep. With additional felonies observed by officers during the arrests, more than 250 felons were taken into custody as a result of Operation Meltdown.

Identifying and arresting those involved in the theft of more than 14 tons of copper alone would have made this effort a success. However, taking more than 70 firearms off the street and out of the hands of criminals and identifying 25 different people involved in stealing 40 vehicles — in *addition* to the copper thieves' arrests — exceeded the expectations of everyone involved.

continued



The Operation Meltdown team celebrates the project's success at a press conference held Jan. 23, 2008. The cities of Santa Clara and San Jose pooled resources to attack a pervasive problem and achieved remarkable results.



Components of Success

Copper theft is an issue of growing concern to our communities. If we had continued to attack the problems as individual departments, we believe we would not have had the tremendous impact of Operation Meltdown. By combin-

ing resources, our two cities were able to make a significant difference. Operation Meltdown's success resulted from the full commitment of each agency, pooling resources and using talented officers from each jurisdiction for the operation, and drawing on mutual experiences from prior sting operations.



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Human Resource Services

Copper brings in big bucks for thieves who typically sell the precious metal to recycling businesses that don't ask a lot of questions about its source.

This is an excellent example of the remarkable results that interagency cooperation and proactive police work can produce. The arrest of more than 250 felons can't help but have a substantial impact on copper theft, and it should also deter other criminals or would-be criminals who hear about the sting operation and might think twice before breaking the law in our cities. ¹



Among the stolen items recovered by undercover officers were 40 vehicles, including a Porsche Carrera, motorcycles and BMWs.